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## CONGRESSIONAL RECORD — SENATE

September 21

Even after the classes finally did get underway, I would be teaching about principles, and a student would put up his hand and ask "Can one read these books for free?" There is currently a hot debate raging in the school as to whether the president of the school should thank you in one letter or whether each student should thank you in his own letter (trouble here is many can't afford the postage) or whether the president and the secretary of the school should write one letter and then all hundred-and-some-odd students should sign it. This particular protocol problem is one in which I have not the heart to interfere, but it may delay the letter of thanks that will shortly be issued.

Since receiving that letter, written in August, I have received another letter, and the interest in the books continues.

The point I wish to make by telling the story and reading the portion of the letter is that perhaps some of these simple things can be as effective as a great outlay of money.

I have encountered a very peculiar situation. Other people have heard this story and have wanted to send books to Nyasaland, Laos, or some other country. The difficulty we are having in arranging for the shipments of the books is beyond my understanding. I am now working on a project to try to get the Navy to carry over some of the books, or in some way to render a simple service in connection with a project which has met with such success in this instance.

*Cutter*

#### PACIFIC-AMERICAN STEAMSHIP ASSOCIATION POSITION ON TRADING WITH CUBA

Mrs. NEUBERGER. Mr. President, a telegram to the President from the Pacific-American Steamship Association offers the provocative suggestion that the administration block the carriage of foreign aid or surplus cargo by vessels engaged in the Cuban traffic.

It is only reasonable that we demand that the privilege granted to foreign-flag vessels to carry our foreign aid cargoes not be abused.

I ask unanimous consent that the text of the association's telegram appear at the conclusion of my remarks.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

PACIFIC AMERICAN  
STEAMSHIP ASSOCIATION,  
San Francisco, Calif., September 18, 1962.  
THE PRESIDENT,  
The White House,  
Washington, D.C.:

Respectfully suggest an unprovocative method available to you to discipline foreign-flag merchant ships which persist in trading with Cuba.

Suggest Presidential instructions to responsible Government agencies to resume control over ocean transportation of Public Law 480 and other similar cargoes which are lifted on foreign-flag vessels for the purpose of stopping bookings on any foreign vessels which have recently traded with Cuba or Red China. No such authority or control now exists. Responsible agencies should be required to be furnished with names of vessels recently trading with Cuba and be given authority to disapprove charters or use of such vessels for carrying foreign aid or surplus cargoes.

This would at least bring to a halt our Government's aiding and abetting those

shipowners abroad who refuse to stop their profiteering with our declared enemies.

We fully support efforts of State Department to seek voluntary prohibitions by negotiation with NATO countries. As constituent member of international chamber of shipping, we join with our east coast colleagues in trying to get voluntary withdrawal of free world shipowners from these nefarious trades. Also, we are asking American ship brokers to stop acting as agents for vessels which trade with countries such as Cuba and Red China.

But, we are skeptical of early voluntary results and the situation calls for use now of governmental authority already available.

Action your part to stop American largess to these profiteers will deter many foreign owners from further Cuba and Red China trade, since U.S. surplus cargoes too good to give up. It will also serve notice to all maritime nations that the 50 percent carriage of our foreign aid cargoes which foreign-flag vessels now enjoy by statute is a congressionally sanctioned privilege, not a vested international right. Also, this privilege has a price in terms of keeping the peace which is at least equal to that which American shipowners are paying.

It is a paradox that Treasury ruling T-1 and T-2 of December 1950, should prohibit U.S.-flag vessels from ever again calling at U.S. ports if they trade with Red China and Cuba, and, at the same time, it permits foreign-flag vessels to call here under same circumstances. Would ask that T-1 and T-2 be amended to stop any vessels of a foreign owner who allows any of his ships to trade with Cuba and Red China from calling at U.S. ports to lift any cargo—commercial or governmental. At the very least, however, such vessels should not be allowed to carry Government-sponsored grain or other cargo.

When you were member of Senate Investigations Subcommittee, the records in the 1955 hearings on China trade showed several hundred European-flag vessels were concurrently enjoying both China trade and the lucrative U.S. aid cargoes. No success in calling halt then but the power to do so is now in your hands.

Am taking liberty of furnishing copies of this communication to Secretaries of State, Defense, Treasury, Commerce, and Agriculture.

RALPH B. DEWEY,  
President.

#### CONGRESS, THE PUBLIC, AND THE STATE DEPARTMENT

Mr. HUMPHREY. Mr. President, every Member of this body is concerned about the need for public understanding and support of U.S. foreign policy. Among the many articles and studies on this subject, few have impressed me so favorably as did an article in the July 26 issue of the Wall Street Journal by Staff Reporter Alan L. Otten. Mr. Otten illuminates the difficulties of the State Department in winning the confidence of the American people in general and the U.S. Congress in particular. The article is both a record of progress and an index of the vast amount that remains to be done. I ask unanimous consent that Mr. Otten's feature article be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. HUMPHREY. Mr. President, the State Department is making a determined effort, within the limits of its

present resources, to improve its liaison with Congress and the public. Secretary of State Rusk, AID Administrator Fowler Hamilton, and Assistant Secretary of State for Congressional Relations Fred Dutton all are to be commended for trying to keep the Congress informed on critical and controversial issues in foreign policy, for improving the quality and responsiveness of State Department mail, for working hard for the adoption of President Kennedy's foreign policy legislation, and finally, for realizing after years of neglect that ordinary American citizens have just as great a stake in our foreign policy as does anyone else in this country or abroad. Alan Otten has performed a valuable service by pointing out the unfortunate gulf between the inbred, "elite" career diplomat and the Representative and Senator who face reelection at stated intervals. Deputy AID Administrator Frank Coffin, himself a former Representative, is quoted by the Wall Street Journal as saying to the AID executive staff:

Congressmen are not boobs. They can tell if someone is being contemptuous, and they're going to hit back. Unless you have the attitude that these men are intelligent and responsible, you're going to be in deep trouble.

I always thought Frank Coffin was a wise and sensitive man; now I am convinced of it. Representatives are keenly attuned both to the concerns and anxieties of the American people as well as to the foreign policy requirements and objectives of the United States of America. If outside pressures sometimes cause Representatives to act recklessly, they at least avoid the pressures for conformity and inaction that so often paralyze the career bureaucrat. Congress may rock the boat from time to time—although a responsible Representative or Senator never opposes the administration for the sake of opposition—but Congress at least wants the ship of state to sail the high seas and not just stay tied at the wharf. I make these remarks with due respect for the traditions and accomplishments of those two great branches of our Government, the legislative and the executive.

Mr. President, we are fortunate that few Representatives seek the headlines that come from attacking the administration on each and every foreign policy issue. On several occasions in the past I have expressed concern about the difficulty of identifying the State Department with the aspirations of the American people. It is wrong, Mr. President, for those who formulate and execute our policies to be constantly warring either with the increasingly articulate public or with an increasingly cantankerous and exasperated Congress. Not too long ago I spoke to separate audiences consisting of senior officials of the State Department, junior Foreign Service officers, and officials of the Agency for International Development. I told each of these groups, in effect, that it was imperative that they develop a better understanding of the legislative process, that they acquire a thorough command of their materials before testifying to congressional committees, that they

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dollar—be utterly self-defeating. All of us here are determined to follow the only other feasible course—not the unacceptable course of restriction and isolation or deflation, but the course of true cooperation—of liberal payments and trade, of sharing the cost of our NATO and Pacific defenses, of sharing the cost of the free world's development aid, and of working together on steps to greater international stability, with other currencies in addition to the dollar bearing an increasing share of its central responsibilities.

We in the United States recognize that our own obligation in this regard includes, as a matter of first priority, taking action to eliminate the deficit in our balance of payments, and to do so without resorting to deflation or retreating to isolation.

I have spoken frankly at this meeting because these two successful institutions, the bank and the fund, have long flourished in a spirit of candor, and have consistently shown a reliable capacity to respond both flexibly and effectively to new needs and new challenges. This spirit of cooperation and candor and initiative will, I know, continue in the future. For only in this spirit can we hope to maintain a sturdy free-world financial system, with stable exchange rates, capable of supporting a growing flow of trade and foreign investment, free from discriminations and restrictions.

## I HAVE SPOKEN FRANKLY

I have spoken frankly, moreover, because I believe the current strength of the dollar enables us to speak frankly and with confidence. Some sharing of responsibilities has already been achieved.

Considerable progress in the balance of our international accounts has been made.

A new agreement among 10 industrialized countries to supplement the resources of the Fund, with special borrowing arrangements of up to \$6 billion, has been concluded, and implementing action will be completed by the U.S. Congress within the next few days or weeks.

Less formal arrangements between the major trading countries have also been evolved to cope with any potential strains or shocks that might arise from a sudden movement of capital. These arrangements, I should add, contain within themselves the possibility of wider and more general application—and this country will always be receptive to suggestions for expanding these arrangements or otherwise improving the operation and efficiency of the international payments system.

All of this is ground for confidence, for making it increasingly clear that no extreme or restrictive measures are needed, that speculation against the dollar is losing its allure and that the economy of the United States can continue to expand in a framework based on the maintenance of free exchange and the early achievement of equilibrium. The expansion in our domestic economy, while not all that we had hoped, has been substantial—and, of equal importance, it has been accompanied by price stability. Wholesale prices for industrial goods are actually lower today than they were during the recession months of 1961.

Nevertheless, I do not underestimate the continuing challenge which faces us all together. The very success of our efforts—the very prosperity of those who have prospered—imposes upon us special obligations and special burdens. Centuries ago the essayist, Burton referred with scorn to those who were "possessed by their money" rather than possessors of it. We who are meeting here today do not intend to be mastered by our money or by our monetary problems. We intend to master them, with unity and generosity—and we shall do so in the name of freedom.

[From the New York Times, Sept. 21, 1962]

## THE BATTLE FOR FOREIGN AID

President Kennedy has properly declared that it makes no sense at all for Congressmen to oppose communism with oratory and then to approve crippling cuts in the foreign aid program, which is a central weapon in the fight to preserve freedom. But last night the House of Representatives ignored the President's good advice and approved the completely inadequate foreign aid funds recommended by its Appropriations Committee. Today Moscow is rejoicing; and we can only look to the Senate to prevent the damage which would result if this irresponsible action of the House were to be confirmed.

The chief argument advanced against the foreign aid program is usually some variant of the idea that we cannot afford it. The President's request for \$4,752 million is, however, less than 1 percent of the country's total annual production. This is true even now when we have substantial unemployed human and material resources. The United States is spending more than 10 times as much money for military strength, and there has been congressional pressure for spending even more in this area than the administration believes is wise. President Kennedy pointed out last week that this year's space budget is \$5,400 million, almost a billion dollars more than he asked for foreign aid.

But neither nuclear weapons nor spaceships affect the poverty which is the chief source of world instability and the chief breeding ground of communism. It is incomprehensible that this Nation can afford what it is spending for arms and for space research purposes and cannot afford the modest foreign aid request. In respect to the alleged drain of the foreign aid program on our balance of payments, the fact is that almost 80 percent of economic aid funds are spent in this country. The great outflow of American tourists abroad each year is a far larger burden on the U.S. balance-of-payments position than is foreign aid.

The United States alone cannot meet the entire problem posed by the underdeveloped nations, nor should it. Bilateral aid is actually in many ways less desirable than multilateral aid, and certainly the newly prosperous nations of Western Europe and Japan can and should contribute more to meeting the need. But a drastic reduction in our contributions to this purpose is not the way to persuade these nations to be more generous on their own account.

The President's statement on the cuts by the House Appropriations Committee was so much to the point that we reproduce it here:

"The drastic cut in foreign aid funds recommended by the House Appropriations Committee poses a threat to free world security."

It makes no sense at all to make speeches against the spread of Communism, to deplore instability in Latin America and Asia, to call for an increase in American prestige and an initiative in Eastern Europe—and then vote to cut back the Alliance for Progress, to hamper the Peace Corps, to cut off surplus food shipments to hungry Poles, to repudiate our long-term commitments of last year and to undermine the efforts of those who are seeking to stave off chaos and Communism in the most vital areas of the world. Foreign aid has increasingly meant trade, sales and jobs in this country, and reform, progress and new hope in the developing countries.

"The aid program is just as important as any military spending we do abroad. You cannot separate guns from roads and schools when it comes to resisting Communist subversion in underdeveloped countries. This is a lesson we have learned clearly in South Vietnam and elsewhere in southeast Asia.

To mutilate the aid program in this massive fashion would be to damage the national security of the United States.

"I cannot believe that those in both parties who have consistently voted in the course of three Administrations to fulfill this nation's obligations of leadership will permit this irresponsible action to go uncorrected."

## PERSON-TO-PERSON FOREIGN AID

Mrs. NEUBERGER. Mr. President, I was interested in the remarks made by the Senator from Minnesota with respect to the foreign aid program, which the Congress is considering. It is apropos at this time that I comment on a letter I received recently, because it shows a form of foreign aid in which many of us can participate, not in the realm of billions of dollars.

A young man named Jay Jacobson, formerly on my office staff, became interested in working for the Government of Nyasaland. He and his wife Pat recently went to that emerging country, where Mr. Jacobson is helping to write a constitution. He and Pat saw the need for a real person-to-person aid for the people of Nyasaland, and, as an extracurricular activity, they have been teaching English to any who wanted to learn and were interested. He wrote me in desperation and said, "We have no teaching material. We have no books."

My office got busy. We went to the Library of Congress and got some of the books which that institution gives out every so often. We gathered books up from here and there, from near and far, and those books finally have arrived in Nyasaland.

I think it is of interest to all of us who are concerned about our brothers and sisters in other countries to read some remarks from this remarkable letter, as to what a little bit of foreign aid did in Nyasaland.

You could have pushed me over with the well-known feather when the messenger from the American consulate in Blantyre strolled through my door in Zomba on Friday with the package of books that you sent on the 5th of July. Other than the fact that it appears that diplomatic pouch crosses the Atlantic in much the same manner as Francis Chichester, the books were a splendid surprise. I took them down to the school that evening, and the students were ecstatic. Many of them had never seen a hard-cover book before, and the Agricultural Yearbooks that you and Walt must have found up in the attic were a particular curiosity and delight.

I add that when they were putting these old yearbooks in the packet I demurred somewhat, but this statement shows how desperate the people of Nyasaland were for reading material.

The school was disrupted for about half an hour while all the students came to see the books. They couldn't believe that the books were for them and I must have told them a dozen times that these were gifts from friends in the United States. Then, as they crowded around and flipped the pages of the books and pamphlets and maps, I was cross-examined on the contents and the meaning of many words that they didn't understand. Is Oregon like Nyasaland? Can people really read books like this whenever they want to in the United States?